

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX 75 Hawthorne Street San Francisco, CA 94105

MAY 1 7 2012

Certified Mail: 7006 0810 0003 9306 4810 * Return Receipt Requested

Douglas L Foshee, President El Paso Corporation 1001 Louisiana Street Houston, TX 77002

Re: General Notice Letter Cameron Mines, Little Colorado Mining District, Coconino County, Arizona

Dear Mr. Foshee:

The United States Environmental Protection Agency ("EPA") is spending public funds to investigate and control releases or potential releases of hazardous substances, pollutants or contaminants in the Cameron area, Coconino County, Navajo Nation and Arizona. Under Sections 106(a) and 107(a) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), commonly known as Superfund, Potentially Responsible Parties ("PRPs") may be required to pelfonn cleanup actions to protect the public health, welfare, or the environment PRPs may also be responsible for all costs incurred by EPA in responding to any release or threatened release at the Sites, as defined below. PRPs include current and former owners and operators of facilities at which hazardous substances were disposed of, persons who arranged for the disposal of hazardous substances at a facility ("generators"), and persons who accepted hazardous substances for transport to a facility ("transporters"). The purpose of this letter is to inform you that EPA considers El Paso Corporation to be a PRP at the Sites.

EPA has evaluated information obtained through its investigation of the Sites, and has determined that El Paso Corporation is a PRP as a f01mer owner and/or operator at these Sites.

Sites Background

The Cameron mining area consists primarily of two areas north and south of Cameron. The mining area to the north of Cameron is approximately two miles wide and six miles in length along U.S. Highway 89. The mining area to the southeast of Cameron is five miles wide and eighteen miles in length along the Little Colorado River. The United States Atomic Energy Commission referred to these areas collectively as the Little Colorado Mining District. The mines were active from 1951 through 1963 and have been used primarily for mining manium. All but one of the properties is located on the Navajo Indian Reservation. The Section 9 mine is located on State of Arizona land and may include a small portion of Navajo Indian Reservation land along the Little Colorado River. In the early 1950's the Atomic Energy Commission opened ore buying stations and pm-chased uranium ores in Utah and New Mexico. Initial ore shipments from the Cameron mines were made to ore-buying stations located in Monticello, UT and Bluewater, NM. The Rare Metals Corporation of America ore-buying station opened in

February, 1956 at the Tuba City Uranium Mill Site. The establishment of the Tuba City Uranium Mill in June, 1956 stimulated the uranium market in the Cameron region.

General Notice

Arrowhead Uranium Company merged with Rare Metals Corporation of America on December 31, 1956. On July 9, 1962 Rare Metals Corporation of America wasy,lfffgediintp;J;l,l Paso Natural Gas Company. EPA believes El Paso Natural Gas Company is the successor in interest to Rare Metals Corporation of America and Anowhead Uranium Company. El Paso Natural Gas Company changed its name to El Paso Corporation in 1999. El Paso Corporation is potentially liable as a former owner and/or operator of the following Sites, and possibly others still under investigation (collectively, the "Sites").

Mine Sites and periods of operations by Arrowhead Uranium Company ("Alrowhead Uranium") and Rare Metals C01poration of America ("Rare Metals"):

- 1. Owner and/or operator of Huskon No. 1 mine from 1952-55 (as Alrnwhead Uranium) and 1956-61 (as Rare Metals).
- 2. Owner and/or operator of Huskon No. 3 mine from 1953-54 (as Arrowhead Uranium) and 1956-61 (as Rare Metals).
- 3. Owner and/or operator of Huskon No. 4 mine from 1953-54 (as Arrowhead Uranium).
- 4. Owner and/or operator of Huskon No. 5 mine in 1953 (as Arrowhead Uranium).
- 5. Owner and/or operator of Huskon No. 6 mine from 1953 (as Almwhead Uranium) and 1956-61 (as Rare Metals).
- 6. Owner and/or operator of Huskon No. 7 mine from 1953 (as Arrowhead Uranium) and 1956-58 (as Rare Metals).
- 7. Owner and/or operator of Huskon No. 8 mine from 1953 (as Arrowhead Uranium) and 1956-57 (as Rare Metals).
- 8. Owner and/or operator of Huskon No. 9 mine in 1954 (as Arrowhead Uranium).
- 9. Owner and/or operator of Huskon No. 10 mine from 1953-54 (as Arrowhead Uranium) and 1956-59, 61 (as Rare Metals).
- 10. Owner and/or operator of Huskon No. 11 mine from 1957-61 (as Rare Metals).
- 11. Owner and/or operator of Huskon No. 12 mine from 1954 (as Arrowhead Uranium) and 1956-59, 61 (as Rare Metals).
- 12. Owner and/or operator of Huskon No. 14 mine in 1956 (as Rare Metals).
- 13. Owner and/or operator of Huskon No. 17 mine from 1954-55 (as Arrowhead Uranium) and 1956-62, (as Rare Metals).
- 14. Owner and/or operator of Huskon No. 26 mine in 1957 (as Rare Metals).
- 15. Owner and/or operator of Evans Huskon No. 2 mine from 1955 (as Arrowhead Uranium) and 1957-61, (as Rare Metals).
- 16. Owner and/or operator of Ramco No, 20 mine from 1956-60 (as Rare Metals).
- 17. Owner and/or operator of Ramco No. 21 mine from 1956-59 (as Rare Metals).
- 18. Owner and/or operator of Ramco No. 22 mine from 1956-59 (as Rare Metals).
- 19. Owner and/or operator of Ramco.No. 24 mine from 1957-58 (as Rare Metals).
- 20. Owner and/or operator of Section 9 Lease in 1957 (as Rare Metals).

In the future, BPA may send you notice under the authority of Section 122(e) of CERCLA, 42 U.S.C. 9622(e), regarding the Remedial Design/Remedial Action activities. This section provides BPA with the option to invoke "special notice procedures," through which EPA provides notice to interested parties of anticipated actions. Special notice procedures trigger a moratorium on certain EPA activities at the Site and allow an opportunity for noticed parties to negotiate with BPA to finance or conduct Site activities. EPA would, at that time, approach you and other PRPs at the Site receiving special notice to discuss your involvement in implementing the RD/RA. IfEPA does not use Section 122(e) special notice procedures and elects to conduct work itself or issue a unilateral administrative order to you, BPA will send a letter explaining why the special notice procedures were not used in this case.

Administrative Record

Pursuant to Section 113(k) of CERCLA, EPA must establish an administrative record file that contains documents that form the basis of EPA's decisions on the selection of response actions for the Sites. The administrative record file, which contains the documents related to the response actions that are ultin1ately selected for the Sites, will be created and made available to the public for inspection and comment once the Agency has completed sampling and characterization of the Sites, completed a study of various cleanup options, and has drafted a document selecting proposed response actions.

At the time of its creation, the administrative record file(s) for the Sites will be made available for inspection at BPA's Regional Office in San Francisco, located at 75 Hawthorne Street, 9th floor.

Miscellaneous:

As you may be aware, on January 11, 2002, President Bush signed into law the Superfund Small Business Liability Relief and Brownfields Revitalization Act. This Act contains several exemptions and defenses to CERCLA liability, which we suggest that all parties evaluate. You may obtain a copy of the law via the Internet at <u>http://www.epa.gov/brownfields/laws/index.htm</u> and review EPA guidances regarding these exemptions at <u>http://cfuub.epa.gov/compliance/resources/policies/cleanup/superfund/.</u>

EPA has created a number of helpful resources for small businesses. EPA has established the National Compliance Assistance Clearinghouse as well as Compliance Assistance Centers which offer various folms of resources to small businesses. You may inquire about these resources at www.epa.gov. In addition, the EPA Small Business Ombudsman may be contacted at www.epa.gov/sbo.

For your information, enclosed is an information sheet intended to inform small businesses of their rights under the Small Business Regulatory Enforcement Fairness Act (SBREFA) to comment to an Ombudsman about EPA enforcement activity. This information sheet also provides information on compliance assistance available to small businesses. We have included this info1mation sheet without making a determination whether your business is a small business as defined by Section 222 of SBREFA or related provisions.

3

On a related subject, now that you have been provided with this General Notice Letter, please note that because EPA has a potential claim against you, if your financial status changes in any significant way, i.e., filing for bankruptcy, you must include EPA as a creditor.

Requested Action:

Please provide EPA with the name, address, and telephone number of the person to whom EPA should direct future correspondence on behalf of El Paso Corpoiation. If you are already involved in discussions with State or local authorities, are engaged in voluntary clean-up action, or are involved in a lawsuit regarding the Sites, you should continue such activities as appropriate. This letter is not intended to advise you or to direct you to restrict or to discontinue any such activities; however, you are advised to rep01t the status of those discussions or actions in your response to this letter, and to provide a copy of the response to any other parties involved in those discussions or actions.

Your response should be made in writing and submitted to EPA within thirty (30) days of receipt of this letter. Your response should be directed to:

Nicole Moutoux (SFD-6) U.S. Environmental Protection Agency, Region IX 75 Hawthorne Street San Francisco, CA 94105

Please direct any technical questions with respect to the Sites to the Remedial Project Manager ("RPM") Nicole Moutoux at (415) 972-3012, or you may email her at <u>moutoux.nicole@epa.gov</u>. Please direct any legal questions to EPA attorney Harrison Karr at (415) 972-3939 or you may email him at <u>karr.harrison@epa.gov</u>.

Thank you for your attention to this matter.

Sincerely,

Clarence Tenley, Assistant Director Partnerships, Land Revitalization & Cleanup Branch Superfund Division

Dave Taylor, Navajo Nation Department of Justice Tina LePage, ADEQ Waste Program Division